COLCHESTER BOARD OF EDUCATION

In November 2025, the Colchester Board of Education changed membership and, subsequently, leadership. I was (and still am) honored to be trusted with stepping into the Chair role by my volunteer peers. In January, our Board's new health insurance broker provided a projection showing that we faced a nearly million dollar shortfall in our health insurance fund for the current fiscal year. I immediately brought this forward to the Board of Finance at their January 28 public meeting and again at their February 11 public meeting. In conversations with central office staff, this shortfall was attributed to high claims impacting our self-insurance fund.

While prepping for an upcoming Board of Education meeting, I inquired with the then-superintendent about a line item in the health insurance budget. As we worked through the details together, the understanding of this line item evolved, and a revised explanation was provided. This is consistent with the explanation that was previously given to Board of Education Budget Chair Chris Rivers when he inquired about the same line item. Soon after, First Selectman Dennler invited me to meet with him. Despite the shortfall on the Board of Education side, the Town side appeared to be functioning correctly and was headed for a surplus. He presented me with information about historic funding formulas that raised questions about the characterization of this line item that had been provided to date. Upon learning this, the then-superintendent acknowledged that there was a likely error in the budget and with the formula tied to this line item. The Board agreed that transparency with the public about this error would be essential as part of upcoming budget presentations.

However, I remained concerned about how such an error could occur and about the difficulty Board of Education members experienced in obtaining clear and consistent information regarding the management of our finances. It was at that point — before any budget had been presented and before any referendum had occurred — that I determined our Board (and the public) needed thorough, independent answers. Rather than relying on piecemeal inquiries or the efforts of volunteer board members working with limited information, we concluded that a third-party review was necessary to get to the bottom of the budget shortfall before us. Which is exactly what we did.

I contacted legal counsel — not out of any presumption of wrongdoing, but in order to ensure independence and objectivity. From that point on, our decisions and actions have been guided by independent legal advice in the best interest of Colchester residents and taxpayers.

On February 26, the Colchester Board of Education unanimously voted to conduct a forensic accounting report to determine what series of events led to the current state of the Health Insurance Fund and district budget. Today, we voted to release that document to the public. This report confirms the error in the funding formula that was disclosed in February but also identifies other issues and procedural gaps that were not previously visible to elected officials or the public. This information could not have been obtained without a forensic accounting report.

None of the information changes the projected costs for health insurance in the next fiscal year, but it transparently documents how we arrived at this point and provides a road map for residents and elected officials to implement safeguards to ensure this does not happen again.

Despite the challenges we have faced this year, I continue to remain proud to work alongside this bipartisan Board of Education in support of our staff and students. Together, and while balancing our families and lives beyond these positions, we have worked to balance the needs of Colchester taxpayers while remaining committed to our district and its success. Thank you, Colchester, for your continued support.

Sincerely,

Stefanie Tracey-Calash
Colchester Board of Education Chair